

AMENDED IN SENATE MAY 8, 2003
AMENDED IN SENATE APRIL 21, 2003

SENATE BILL

No. 210

Introduced by Senator Burton

February 13, 2003

An act to amend Sections 6750, 6752, and 6753 of the Family Code, and to amend Section 1308.6 of the Labor Code, ~~relating to minors, and declaring the urgency thereof, to take effect immediately.~~ *relating to minors.*

LEGISLATIVE COUNSEL'S DIGEST

SB 210, as amended, Burton. Minors: artistic employment contracts.

~~(1) Existing~~

Existing law regulates certain contracts for artistic employment between an unemancipated minor and third parties, including employment as an actor, dancer, musician, comedian, singer, stuntperson, voice-over artist, or other performer or entertainer, or sports participant. Existing law provides for the establishment of a trust for the purpose of preserving for the benefit of the minor 15% of the minor's gross earnings or a greater percentage, if requested by the minor's parent or guardian.

This bill would expand those provisions to include modeling, and would define a minor's gross earnings for these purposes. The bill would specify who is a minor's employer for these purposes. The bill would limit the trust amounts to 15% of the minor's gross earnings and would specify the time period within which a minor's employer must receive a true and accurate photocopy of the trustee's statement. The bill

would require the employer of a minor to forward to The Actors' Fund of America the funds set aside for the minor, if the parent, guardian, or trustee fails to provide the photocopy, as specified. The bill would also specify the rights and duties of The Actors' Fund of America in this regard, including the right to collect management, administrative, and investment expenses, and would exempt funds received by The Actors' Fund of America under the bill from the application of the Unclaimed Property Law, and provide for the dispersal of those funds to a beneficiary who has attained 18 years of age or who has been emancipated, or to the estate of a deceased beneficiary. The bill would provide that the trust account established for the minor pursuant to these provisions would be known as a Coogan Trust Account. The bill would make corresponding changes, and condition the issuance of certain work permits for a minor in the entertainment industry upon the establishment of a Coogan Trust Account, as specified.

~~(2) The bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$ —majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6750 of the Family Code is amended to
2 read:

3 6750. (a) This chapter applies to the following contracts
4 entered into between an unemancipated minor and any third party
5 or parties on or after January 1, 2000:

6 (1) A contract pursuant to which a minor is employed or agrees
7 to render artistic or creative services, either directly or through a
8 third party, including, but not limited to, a personal services
9 corporation (loan-out company), or through a casting agency or
10 modeling agency. "Artistic or creative services" includes, but is
11 not limited to, services as an actor, actress, dancer, musician,
12 comedian, singer, stunt-person, voice-over artist, or other
13 performer or entertainer, or as a songwriter, musical producer or
14 arranger, writer, director, producer, production executive,
15 choreographer, composer, conductor, or designer.

16 (2) A contract pursuant to which a minor agrees to purchase, or
17 otherwise secure, sell, lease, license, or otherwise dispose of
18 literary, musical, or dramatic properties, or use of a person's



1 likeness, voice recording, performance, or story of or incidents in
2 his or her life, either tangible or intangible, or any rights therein
3 for use in motion pictures, television, the production of sound
4 recordings in any format now known or hereafter devised, the
5 legitimate or living stage, or otherwise in the entertainment field.

6 (3) A contract pursuant to which a minor is employed or agrees
7 to render services as a participant or player in a sport.

8 (b) (1) If a minor is employed or agrees to render services
9 directly for any person or entity, that person or entity shall be
10 considered the minor's employer for purposes of this chapter.

11 (2) If a minor's services are being rendered through a
12 third-party individual or personal services corporation (loan-out
13 company), the person to whom or entity to which that third party
14 is providing the minor's services shall be considered the minor's
15 employer for purposes of this chapter.

16 (3) If a minor renders services as an extra, background
17 performer, or in a similar capacity, or as a model, through an
18 agency or service that provides one or more such performers or
19 models for a fee (casting agency or modeling agency), the agency
20 or service shall be considered the minor's employer for the
21 purposes of this chapter.

22 (c) (1) For purposes of this chapter, the minor's "gross
23 earnings" shall mean the total compensation payable to the minor
24 under the contract or, if the minor's services are being rendered
25 through a third-party individual or personal services corporation
26 (loan-out company), the total compensation payable to that third
27 party for the services of the minor.

28 (2) Notwithstanding paragraph (1), with respect to contracts
29 pursuant to which a minor is employed or agrees to render services
30 as a musician, singer, songwriter, musical producer, or arranger
31 only, for purposes of this chapter, the minor's "gross earnings"
32 shall mean the total amount paid to the minor pursuant to the
33 contract, including the payment of any advances to the minor
34 pursuant to the contract, but excluding deductions to offset those
35 advances or other expenses incurred by the employer pursuant to
36 the contract, or, if the minor's services are being rendered through
37 a third-party individual or personal services corporation (loan-out
38 company), the total amount payable to that third party for the
39 services of the minor.

40 SEC. 2. Section 6752 of the Family Code is amended to read:

1 6752. (a) A parent or guardian entitled to the physical
2 custody, care, and control of a minor who enters into a contract of
3 a type described in Section 6750 shall provide a certified copy of
4 the minor's birth certificate indicating the minor's minority to the
5 other party or parties to the contract and in addition, in the case of
6 a guardian, a certified copy of the court document appointing the
7 person as the minor's legal guardian.

8 (b) (1) Notwithstanding any other statute, in an order
9 approving a minor's contract of a type described in Section 6750,
10 the court shall require that 15 percent of the minor's gross earnings
11 pursuant to the contract be set aside by the minor's employer in
12 trust, in an account or other savings plan, and preserved for the
13 benefit of the minor in accordance with Section 6753.

14 (2) The court shall require that at least one parent or legal
15 guardian, as the case may be, entitled to the physical custody, care,
16 and control of the minor at the time the order is issued be appointed
17 as trustee of the funds ordered to be set aside in trust for the benefit
18 of the minor, unless the court shall determine that appointment of
19 a different individual, individuals, entity, or entities as trustee or
20 trustees is required in the best interest of the minor.

21 (3) Within 10 business days after commencement of
22 employment, the trustee or trustees of the funds ordered to be set
23 aside in trust shall provide the minor's employer with a true and
24 accurate photocopy of the trustee's statement pursuant to Section
25 6753.

26 (4) The minor's employer shall deposit or disburse the 15
27 percent of the minor's gross earnings pursuant to the contract
28 within 15 business days after receiving a true and accurate copy of
29 the trustee's statement pursuant to subdivision (c) of Section 6753,
30 a certified copy of the minor's birth certificate, and, in the case of
31 a guardian, a certified copy of the court document appointing the
32 person as the minor's guardian. Notwithstanding any other
33 provision of law, pending receipt of these documents, the minor's
34 employer shall hold, for the benefit of the minor, the 15 percent of
35 the minor's gross earnings pursuant to the contract.

36 (5) When making the initial deposit of funds, the minor's
37 employer shall provide written notification to the financial
38 institution or company that the funds are subject to Section 6753.
39 Upon receipt of the court order, the minor's employer shall provide
40 the financial institution with a copy of the order.

1 (6) Once the minor's employer deposits the set aside funds
2 pursuant to Section 6753, in trust, in an account or other savings
3 plan, the minor's employer shall have no further obligation or duty
4 to monitor or account for the funds. The trustee or trustees of the
5 trust shall be the only individual, individuals, entity, or entities
6 with the obligation or duty to monitor and account for those funds
7 once they have been deposited by the minor's employer. The
8 trustee or trustees shall do an annual accounting of the funds held
9 in trust, in an account or other savings plan, in accordance with
10 Sections 16062 and 16063 of the Probate Code.

11 (7) The court shall have continuing jurisdiction over the trust
12 established pursuant to the order and may at any time, upon
13 petition of the parent or legal guardian, the minor, through his or
14 her guardian ad litem, or the trustee or trustees, on good cause
15 shown, order that the trust be amended or terminated,
16 notwithstanding the provisions of the declaration of trust. An order
17 amending or terminating a trust may be made only after reasonable
18 notice to the beneficiary and, if the beneficiary is then a minor, to
19 the parent or guardian, if any, and to the trustee or trustees of the
20 funds with opportunity for all parties to appear and be heard.

21 (8) A parent or guardian entitled to the physical custody, care,
22 and control of the minor shall promptly notify the minor's
23 employer in writing of any change in facts that affect the
24 employer's obligation or ability to set aside the funds in
25 accordance with the order, including, but not limited to, a change
26 of financial institution or account number, or the existence of a
27 new or amended order issued pursuant to paragraph (7) amending
28 or terminating the employer's obligations under this section. The
29 written notification shall be accompanied by a true and accurate
30 photocopy of the trustee's statement pursuant to Section 6753 and,
31 if applicable, a true and accurate photocopy of the new or amended
32 order.

33 (9) (A) If a parent, guardian, or trustee fails to provide the
34 minor's employer with a true and accurate photocopy of the
35 trustee's statement pursuant to Section 6753 within 60 days after
36 the commencement of employment, the employer shall forward to
37 The Actors' Fund of America 15 percent of the minor's gross
38 earnings pursuant to the contract, together with the minor's name
39 and, if known, the minor's social security number, birth date, last
40 known address, telephone number, e-mail address, dates of

1 employment, and title of the project on which the minor was
2 employed, and shall notify the parent, guardian, or trustee of that
3 transfer by certified mail to the last known address. Upon receipt
4 of those forwarded funds, The Actors' Fund of America shall
5 become the trustee of those funds and the minor's employer shall
6 have no further obligation or duty to monitor or account for the
7 funds.

8 (B) The Actors' Fund of America shall make its best efforts to
9 notify the parent, guardian, or trustee of their responsibilities to
10 provide a true and accurate photocopy of the trustee's statement
11 pursuant to Section 6753, and in the case of a guardian, a certified
12 copy of the court document appointing the person as the minor's
13 legal guardian. Within 15 business days after receiving those
14 documents, The Actors' Fund of America shall deposit or disburse
15 the funds as directed by the trustee's statement. When making that
16 deposit or disbursal of the funds, The Actors' Fund of America
17 shall provide to the financial institution notice that the funds are
18 subject to Section 6753 and a copy of each applicable order, and
19 shall thereafter have no further obligation or duty to monitor or
20 account for the funds.

21 (c) The Actors' Fund of America shall notify each beneficiary
22 of his or her entitlement to the funds that it holds for the beneficiary
23 within 60 days after the date on which its records indicated that the
24 beneficiary has attained 18 years of age or the date on which it
25 received notice that the minor has been emancipated, by sending
26 that notice to the last known address for the beneficiary or, if it has
27 no specific separate address for the beneficiary, to the
28 beneficiary's parent or guardian.

29 (d) (1) Notwithstanding any other statute, for any minor's
30 contract of a type described in Section 6750 that is not being
31 submitted for approval by the court pursuant to Section 6751, or
32 for which the court has issued a final order denying approval, 15
33 percent of the minor's gross earnings pursuant to the contract shall
34 be set aside by the minor's employer in trust, in an account or other
35 savings plan, and preserved for the benefit of the minor in
36 accordance with Section 6753. At least one parent or legal
37 guardian, as the case may be, entitled to the physical custody, care,
38 and control of the minor, shall be the trustee of the funds set aside
39 for the benefit of the minor, unless the court, upon petition by the
40 parent or legal guardian, the minor, through his or her guardian ad



1 item, or the trustee or trustees of the trust, shall determine that
2 appointment of a different individual, individuals, entity, or
3 entities as trustee or trustees is required in the best interest of the
4 minor.

5 (2) Within 10 business days of commencement after
6 employment, a parent or guardian, as the case may be, entitled to
7 the physical custody, care, and control of the minor shall provide
8 the minor's employer with a true and accurate photocopy of the
9 trustee's statement pursuant to Section 6753 and in addition, in the
10 case of a guardian, a certified copy of the court document
11 appointing the person as the minor's legal guardian.

12 (3) The minor's employer shall deposit 15 percent of the
13 minor's gross earnings pursuant to the contract within 15 business
14 days of receiving the trustee's statement pursuant to Section 6753,
15 or if the court denies approval of the contract, within 15 business
16 days of receiving a final order denying approval of the contract.
17 Notwithstanding any other statute, pending receipt of the trustee's
18 statement or the final court order, the minor's employer shall hold
19 for the benefit of the minor the 15 percent of the minor's gross
20 earnings pursuant to the contract. When making the initial deposit
21 of funds, the minor's employer shall provide written notification
22 to the financial institution or company that the funds are subject to
23 Section 6753.

24 (4) Once the minor's employer deposits the set aside funds in
25 trust, in an account or other savings plan pursuant to Section 6753,
26 the minor's employer shall have no further obligation or duty to
27 monitor or account for the funds. The trustee or trustees of the trust
28 shall be the only individual, individuals, entity, or entities with the
29 obligation or duty to monitor and account for those funds once they
30 have been deposited by the minor's employer. The trustee or
31 trustees shall do an annual accounting of the funds held in trust, in
32 an account or other savings plan, in accordance with Sections
33 16062 and 16063 of the Probate Code.

34 (5) Upon petition of the parent or legal guardian, the minor,
35 through his or her guardian ad litem, or the trustee or trustees of
36 the trust, to the superior court in any county in which the minor
37 resides or in which the trust is established, the court may at any
38 time, on good cause shown, order that the trust be amended or
39 terminated, notwithstanding the provisions of the declaration of
40 trust. An order amending or terminating a trust may be made only

1 after reasonable notice to the beneficiary and, if the beneficiary is
2 then a minor, to the parent or guardian, if any, and to the trustee or
3 trustees of the funds with opportunity for all parties to appear and
4 be heard.

5 (6) A parent or guardian entitled to the physical custody, care,
6 and control of the minor shall promptly notify the minor's
7 employer in writing of any change in facts that affect the
8 employer's obligation or ability to set aside funds for the benefit
9 of the minor in accordance with this section, including, but not
10 limited to, a change of financial institution or account number, or
11 the existence of a new or amended order issued pursuant to
12 paragraph (5) amending or terminating the employer's obligations
13 under this section. The written notification shall be accompanied
14 by a true and accurate photocopy of the trustee's statement and
15 attachments pursuant to Section 6753 and, if applicable, a true and
16 accurate photocopy of the new or amended order.

17 (7) (A) If a parent, guardian, or trustee fails to provide the
18 minor's employer with a true and accurate photocopy of the
19 trustee's statement pursuant to Section 6753, within 60 days after
20 commencement of employment, the employer shall forward to the
21 Actors' Fund of America the 15 percent of the minor's gross
22 earnings pursuant to the contract, together with the minor's name
23 and, if known, the minor's social security number, birth date, last
24 known address, telephone number, e-mail address, dates of
25 employment, and the title of the project on which the minor was
26 employed, and shall notify the parent, guardian, or trustee of that
27 transfer by certified mail to the last known address. Upon receipt
28 of those forwarded funds, The Actors' Fund of America shall
29 become the trustee of those funds and the minor's employer shall
30 have no further obligation or duty to monitor or account for the
31 funds.

32 (B) The Actors' Fund of America shall make best efforts to
33 notify the parent, guardian, or trustee of their responsibilities to
34 provide a true and accurate photocopy of the trustee's statement
35 pursuant to Section 6753 and in the case of a guardian, a certified
36 copy of the court document appointing the person as the minor's
37 legal guardian. After receiving those documents, the Actors' Fund
38 of America shall deposit or disburse the funds as directed by the
39 trustee's statement, and in accordance with Section 6753, within
40 15 business days. When making that deposit or disbursal of the



1 funds, the Actors' Fund of America shall provide notice to the
2 financial institution that the funds are subject to Section 6753, and
3 shall thereafter have no further obligation or duty to monitor or
4 account for the funds.

5 (C) The Actors' Fund of America shall notify each beneficiary
6 of his or her entitlement to the funds that it holds for the
7 beneficiary, within 60 days after the date on which its records
8 indicate that the beneficiary has attained 18 years of age or the date
9 on which it received notice that the minor has been emancipated,
10 by sending that notice to the last known address that it has for the
11 beneficiary, or to the beneficiary's parent or guardian, where it has
12 no specific separate address for the beneficiary.

13 ~~(d)~~

14 (e) Where a parent or guardian is entitled to the physical
15 custody, care, and control of a minor who enters into a contract of
16 a type described in Section 6750, the relationship between the
17 parent or guardian and the minor is a fiduciary relationship that is
18 governed by the law of trusts, whether or not a court has issued a
19 formal order to that effect. The parent or guardian acting in his or
20 her fiduciary relationship, shall, with the earnings and
21 accumulations of the minor under the contract, pay all liabilities
22 incurred by the minor under the contract, including, but not limited
23 to, payments for taxes on all earnings, including taxes on the
24 amounts set aside under subdivisions (b) and (c) of this section,
25 and payments for personal or professional services rendered to the
26 minor or the business related to the contract. Nothing in this
27 subdivision shall be construed to alter any other existing
28 responsibilities of a parent or legal guardian to provide for the
29 support of a minor child.

30 ~~(e)~~

31 (f) (1) Except as otherwise provided in this subdivision, The
32 Actors' Fund of America, as trustee of unclaimed set-aside funds,
33 shall manage and administer those funds in the same manner as a
34 trustee under the Probate Code. Notwithstanding the foregoing,
35 The Actors' Fund of America is not required to open separate,
36 segregated individual trust accounts for each beneficiary but may
37 hold the set-aside funds in a single, segregated master account for
38 all beneficiaries, provided it maintains accounting records for each
39 beneficiary's interest in the master account.

(2) The Actors' Fund of America shall have the right to transfer funds from the master account, or from a beneficiary's segregated account to its general account in an amount equal to the beneficiary's balance. The Actors' Fund of America shall have the right to use those funds transferred to its general account to provide programs and services for young performers. This use of the funds does not limit or alter The Actors' Fund of America's obligation to disburse the set-aside funds to the beneficiary, or the beneficiary's parent, guardian, trustee, or estate pursuant to this chapter.

(3) (A) Upon receiving a certified copy of the beneficiary's birth certificate, or United States passport, and a true and accurate photocopy of the trustee's statement pursuant to Section 6753, The Actors' Fund of America shall transfer the beneficiary's balance to the trust account established for the beneficiary.

(B) The Actors' Fund of America shall disburse the set-aside funds to a beneficiary who has attained 18 years of age, after receiving proof of the beneficiary's identity and a certified copy of the beneficiary's birth certificate or United States passport, or to a beneficiary who has been emancipated, after receiving proof of the beneficiary's identity and appropriate documentation evidencing the beneficiary's emancipation.

(C) The Actors' Fund of America shall disburse the set-aside funds to the estate of a deceased beneficiary after receiving appropriate documentation evidencing the death of the beneficiary and the claimant's authority to collect those funds on behalf of the beneficiary.

~~(F)~~

(g) (1) The beneficiary of an account held by The Actors' Fund of America pursuant to this section shall be entitled to receive imputed interest on the balance in his or her account for the entire period during which the account is held at a rate equal to the lesser of the federal reserve rate in effect on the last business day of the prior calendar quarter or the national average money market rate as published in the New York Times on the last Sunday of the prior calendar quarter, adjusted quarterly.

(2) The Actors' Fund of America may assess and deduct from the balance in the beneficiary's account reasonable management, administrative, and investment expenses, including beneficiary-specific fees for initial set up, account notifications

1 and account disbursements, and a reasonably allocable share of
2 management, administrative, and investment expenses of the
3 master account. No fees may be charged to any beneficiary's
4 account during the first year that the account is held by The Actors'
5 Fund of America.

6 (3) Notwithstanding paragraph (2), the amount paid on any
7 claim made by a beneficiary or the beneficiary's parent or guardian
8 after The Actor's Fund of America receives and holds funds
9 pursuant to this section may not be less than the amount of the
10 funds received plus the imputed interest.

11 ~~(g)~~

12 (h) Notwithstanding any provision of this chapter to the
13 contrary, any minor's employer holding set-aside funds under this
14 chapter, which funds remain unclaimed 60 days after the effective
15 date hereof, shall forward those unclaimed funds to The Actors'
16 Fund of America, along with the minor's name and, if known, the
17 minor's social security number, birth date, last known address,
18 telephone number, e-mail address, dates of employment, and the
19 title of the project on which the minor was employed, and shall
20 notify the parent, guardian, or trustee of that transfer by certified
21 mail to the last known address. Upon receipt of those forwarded
22 funds by The Actors' Fund of America, the minor's employer shall
23 have no further obligation or duty to monitor or account for the
24 funds.

25 ~~(h)~~

26 (i) All funds received by The Actors' Fund of America
27 pursuant to this section shall be exempt from the application of the
28 Unclaimed Property Law (Title 10 (commencing with Section
29 1300) of Part 3 of the Code of Civil Procedure), including, but not
30 limited to, Section 1510 of the Code of Civil Procedure.

31 SEC. 3. Section 6753 of the Family Code is amended to read:

32 6753. (a) The trustee or trustees shall establish a trust
33 account, that shall be known as a Coogan Trust Account, pursuant
34 to this section at a bank, savings and loan institution, credit union,
35 brokerage firm, or company registered under the Investment
36 Company Act of 1940, that is located in the State of California,
37 unless a similar trust has been previously established, for the
38 purpose of preserving for the benefit of the minor the portion of
39 the minor's gross earnings pursuant to paragraph (1) of
40 subdivision (b) of Section 6752 or pursuant to paragraph (1) of

1 subdivision (c) of Section 6752. The trustee or trustees shall
2 establish the trust pursuant to this section within seven business
3 days after the minor's contract is signed by the minor, the
4 third-party individual or personal services corporation (loan-out
5 company), and the employer.

6 (b) Except as otherwise provided in this section, prior to the
7 date on which the beneficiary of the trust attains the age of 18 years
8 or the issuance of a declaration of emancipation of the minor under
9 Section 7122, no withdrawal by the beneficiary or any other
10 individual, individuals, entity, or entities may be made of funds on
11 deposit in trust without written order of the superior court pursuant
12 to paragraph (7) of subdivision (b) or paragraph (5) of subdivision
13 (c) of Section 6752. Upon reaching the age of 18 years, the
14 beneficiary may withdraw the funds on deposit in trust only after
15 providing a certified copy of the beneficiary's birth certificate to
16 the financial institution where the trust is located.

17 (c) The trustee or trustees shall, within 10 business days after
18 the minor's contract is signed by the minor, the third-party
19 individual or personal services corporation (loan-out company),
20 and the employer, prepare a written statement under penalty of
21 perjury that shall include the name, address, and telephone number
22 of the financial institution, the name of the account, the number of
23 the account, the name of the minor beneficiary, the name of the
24 trustee or trustees of the account, and any additional information
25 needed by the minor's employer to deposit into the account the
26 portion of the minor's gross earnings prescribed by paragraph (1)
27 of subdivision (b) or paragraph (1) of subdivision (c) of Section
28 6752. The trustee or trustees shall attach to the written statement
29 a true and accurate photocopy of any information received from
30 the financial institution confirming the creation of the account,
31 such as an account agreement, account terms, passbook, or other
32 similar writings.

33 (d) The trust shall be established in California either with a
34 financial institution that is and remains insured at all times by the
35 Federal Deposit Insurance Corporation (FDIC), the Securities
36 Investor Protection Corporation (SIPC), or the National Credit
37 Union Share Insurance Fund (NCUSIF) or their respective
38 successors, or with a company that is and remains registered under
39 the Investment Company Act of 1940. The trustee or trustees of the
40 trust shall be the only individual, individuals, entity, or entities



1 with the obligation or duty to ensure that the funds remain in trust,
2 in an account or other savings plan insured in accordance with this
3 section, or with a company that is and remains registered under the
4 Investment Company Act of 1940 as authorized by this section.

5 (e) Upon application by the trustee or trustees to the financial
6 institution or company in which the trust is held, the trust funds
7 shall be handled by the financial institution or company in one or
8 more of the following methods:

9 (1) The financial institution or company may transfer funds to
10 another account or other savings plan at the same financial
11 institution or company, provided that the funds transferred shall
12 continue to be held in trust, and subject to this chapter.

13 (2) The financial institution or company may transfer funds to
14 another financial institution or company, provided that the funds
15 transferred shall continue to be held in trust, and subject to this
16 chapter and that the transferring financial institution or company
17 has provided written notification to the financial institution or
18 company to which the funds will be transferred that the funds are
19 subject to this section and written notice of the requirements of this
20 chapter.

21 (3) The financial institution or company may use all or a part
22 of the funds to purchase, in the name of and for the benefit of the
23 minor, (A) investment funds offered by a company registered
24 under the Investment Company Act of 1940, provided that if the
25 underlying investments are equity securities, the investment fund
26 is a broad-based index fund or invests broadly across the domestic
27 or a foreign regional economy, is not a sector fund, and has assets
28 under management of at least two hundred fifty million dollars
29 (\$250,000,000); or (B) government securities and bonds,
30 certificates of deposit, money market instruments, money market
31 accounts, or mutual funds investing solely in those government
32 securities and bonds, certificates, instruments, and accounts, that
33 are available at the financial institution where the trust fund or
34 other savings plan is held, provided that the funds shall continue
35 to be held in trust and subject to this chapter, those purchases shall
36 have a maturity date on or before the date upon which the minor
37 will attain the age of 18 years, and any proceeds accruing from
38 those purchases shall be redeposited into that account or accounts
39 or used to further purchase any of those or similar securities,
40 bonds, certificates, instruments, funds, or accounts.



1 SEC. 4. Section 1308.6 of the Labor Code is amended to read:

2 1308.6. (a) No consent shall be given at any time unless the
3 officer giving it is satisfied that all of the following conditions are
4 met:

5 (1) The environment in which the performance, concert, or
6 entertainment is to be produced is proper for the minor.

7 (2) The conditions of employment are not detrimental to the
8 health of the minor.

9 (3) The minor's education will not be neglected or hampered
10 by his or her participation in the performance, concert, or
11 entertainment.

12 (b) Without limiting the requirements of subdivision (a), the
13 Labor Commissioner may consent to the employment of a minor
14 on a temporary basis for a period not exceeding 30 days in the
15 aggregate in any calendar year. Consent for a longer or additional
16 period may be given only if the parent or guardian demonstrates
17 that a Coogan Trust Account has been established for the minor in
18 accordance with Section 6753 of the Family Code or if a written
19 statement is provided by the employer that, in the absence of a
20 Coogan Trust Account established by the parent or guardian of the
21 minor, the employer shall transfer 15 percent of the minor's
22 earnings to a specified account as described in Section 6753 of the
23 Family Code.

24 (c) The Labor Commissioner may require the authority
25 charged with the issuance of age and schooling certificates to make
26 the necessary investigation into the conditions covered by this
27 section.

28 ~~SEC. 5. This act is an urgency statute necessary for the~~
29 ~~immediate preservation of the public peace, health, or safety~~
30 ~~within the meaning of Article IV of the Constitution and shall go~~
31 ~~into immediate effect. The facts constituting the necessity are:~~

32 ~~Because of the substantial amount of minors' earnings that~~
33 ~~cannot be placed into trust under existing law, currently estimated~~
34 ~~to exceed one million dollars (\$1,000,000), it is necessary that this~~
35 ~~act take effect immediately.~~